Moving Maryland Forward:
Making the New Economy Ours

Governor Martin O'Malley

Making Government Work

Setting Goals

Fiscal Responsibility

Changing Course When Necessary

Measuring Performance:
StateStat

- Accurate and timely intelligence shared by all
- Rapid deployment of resources
- Effective tactics and strategies
- Relentless follow-up and assessment

Creating Jobs in the New Economy through Innovation & Leadership

- Expanding **OPPORTUNITY**
- Advancing Public Safety & Homeland **SECURITY**
- Advancing Environmental **SUSTAINABILITY**
- Advancing the **HEALTH** of our People

"…Progress on one of these fronts requires progress on all..."

Moving Forward: Goals 7-11

Jobs/Skills

Security

Sustainability

Health

The 15 Strategic Goals
www.statestat.maryland.gov
"Delivery Unit"

VII. **Accelerate Bay Restoration Efforts to Reach the Healthier Bay Tipping Point by 2020 (DNR)**

VIII. **Double Transit Ridership in Maryland by end 2020 (MDOT)**

IX. **Reduce Per Capita Electricity Consumption in Maryland by 15% by 2015 (MEA)**

X. **Increase Maryland's Renewable Energy Portfolio to 20% by 2022 (MEA)**

XI. **Reduce Maryland's Statewide Greenhouse Gas Emissions by 25% by 2020** (MDE)

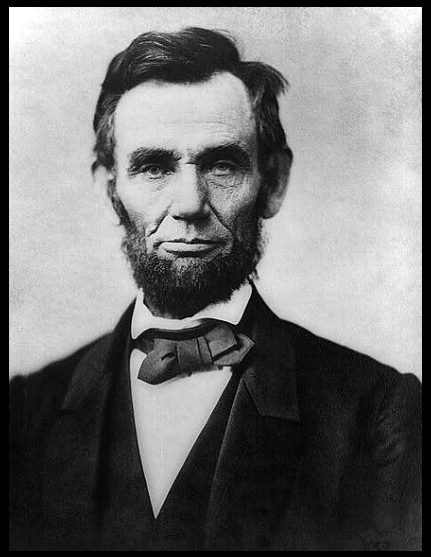
HOW DO WE GET THERE?

INNOVATION

INNOVATION

"…as our case is new,
so we must think anew
and act anew."

- Abraham Lincoln



Securing Our Energy Future: CHALLENGES

Aging Energy Infrastructure:

- 22% of our State's power plants were built before JFK took office.
- 40% predate Reagan.
- No new major generation has been permitted and built in over a decade.

The Need for Building New Generation:

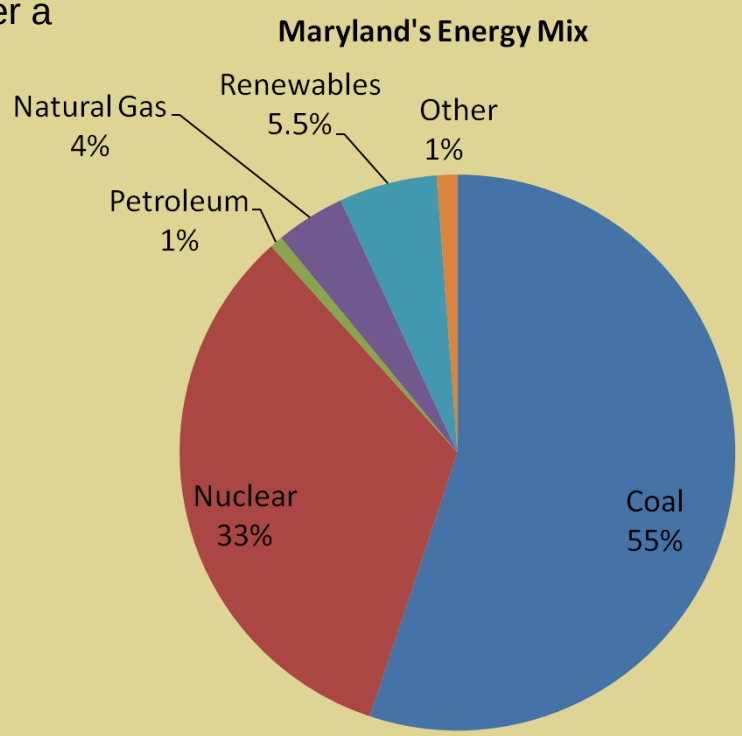
- Developers of generation frequently can't obtain requisite financing without long-term power purchase agreements.

Lack of Fuel Diversity:

- Nearly 90% of Maryland's electricity comes from a coal and nuclear power mix that has barely changed over the past 30 years.
- Renewables make up only about 5.5%.

Unsustainable Energy Mix, Due to:

- Global political instability.
- Fossil fuel reserves uncertainty.
- Environmental costs associated with fossil fuels.

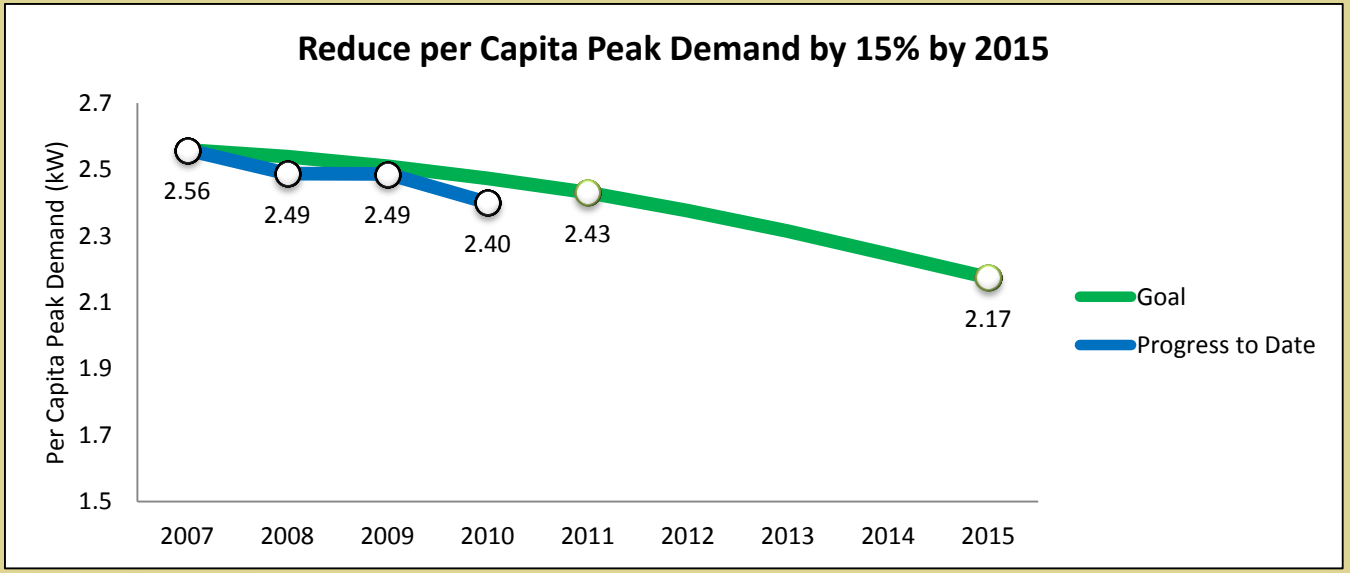


Goal 9: Reduce Per Capita Electricity Consumption in Maryland by 15% by 2015

Progress to Reduce Peak Demand

We have reduced per capita peak demand by 6% over its 2007 baseline. This amounts to 110% of the Administration's 2011 target, and 37% of its 2015 goal

- Through MEA's efforts and the utilities' EmPOWER programs, over 600 MW of peak demand has been avoided, saving Marylanders over $40 million.

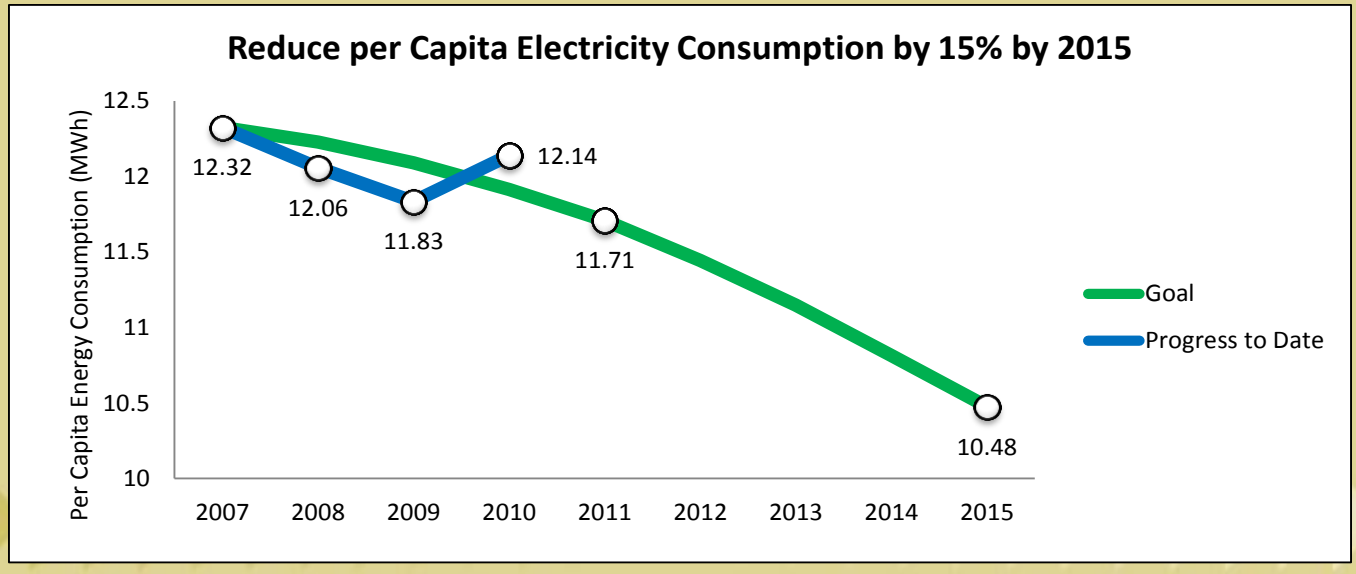


Goal 9: Reduce Per Capita Electricity Consumption in Maryland by 15% by 2015

Progress to Reduce Electricity Consumption

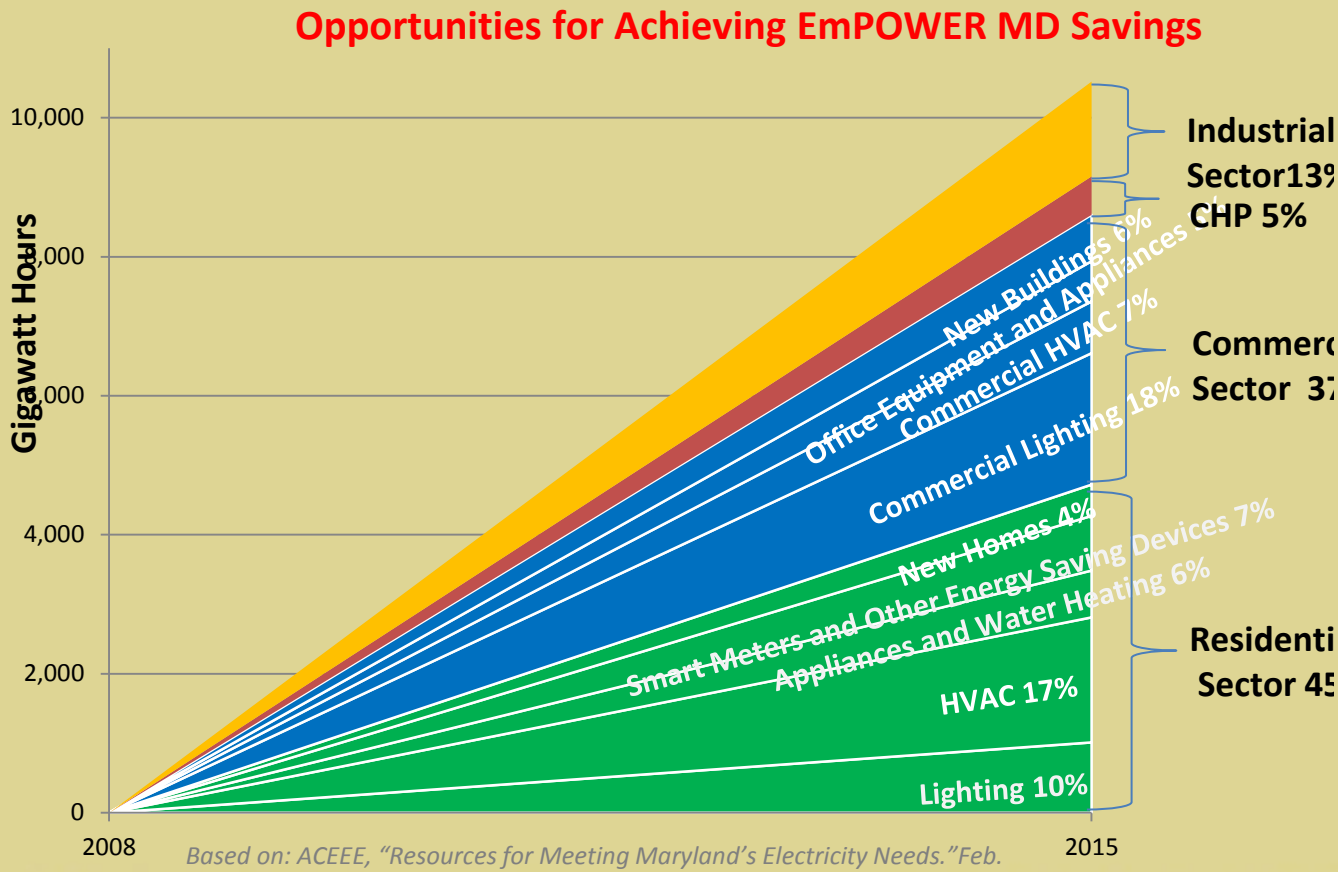
We have reduced per capita energy use by 0.7% over its 2007 baseline. This amounts to 15% of the Administration's 2011 target, and 5% of its 2015 goal

- More than 170,000 Marylanders have already taken advantage of MEA and utility programs to reduce their energy consumption.
- To date, we have invested $140 million – saving over 690 million kWh annually, more than $90 million annually, and more than $1.3 billion over the life of the investments.
- These savings have resulted in the avoidance of 350,000 metric tons of CO2 annually – the equivalent of taking nearly 70,000 cars off the road.



Goal 9: Reduce Per Capita Electricity Consumption in Maryland by 15% by 2015

Progress to Reduce Electricity Consumption



Based on: ACEEE, "Resources for Meeting Maryland's Electricity Needs."Feb.

Goal 9: Reduce Per Capita Electricity Consumption in Maryland by 15% by 2015

Current Strategies

1. Provide **energy efficient appliance rebates**
2. Provide **incentives for home performance makeovers**
3. Invest in **weatherization** to reduce energy bills for low and moderate income families
4. Leverage public and private investments to offer a **clean energy loan program** for consumers
5. Provide EmPOWERing Clean Energy Communities **grants to support local government energy efficiency projects**
6. Partner with academic institutions to **expand energy related job training opportunities**
7. Help Maryland businesses and institutions make **energy efficient upgrades** by offsetting the cost
8. **Encourage public buildings to become energy-efficient** with zero interest loans.

Goal 9: Reduce Per Capita Electricity Consumption in Maryland by 15% by 2015

Accelerating our Progress

EmPOWER: We're challenging Maryland utilities to design and implement new, more aggressive EmPOWER programs such as:

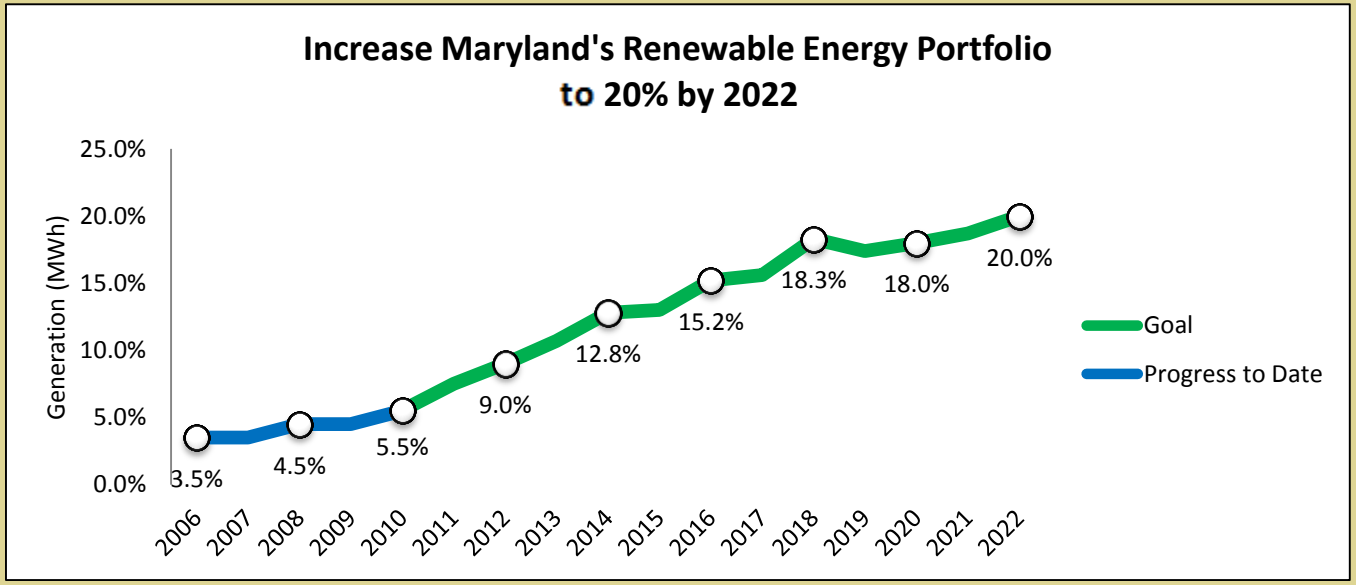
1. Offering additional rebates to home owners to incentivize home energy improvements
2. Allowing home owners to repay energy efficient loans as part of their monthly utility bill
3. Offering technical assistance and rebates to help Maryland's farmers reduce their energy use
4. Providing incentives for combined heat and power
5. Offering additional rebates to incentivize the purchase of highly energy efficient appliances
6. Performing energy efficiency upgrades in low-income apartments
7. Using DHCD's network to provide weatherization and energy-efficiency upgrades for low-income families.

WEATHERIZATION: We are continuing to invest in **weatherization** – helping reduce energy bills for low and moderate income families

Goal 10: Increase Maryland's Renewable Energy Portfolio to 20% by 2022

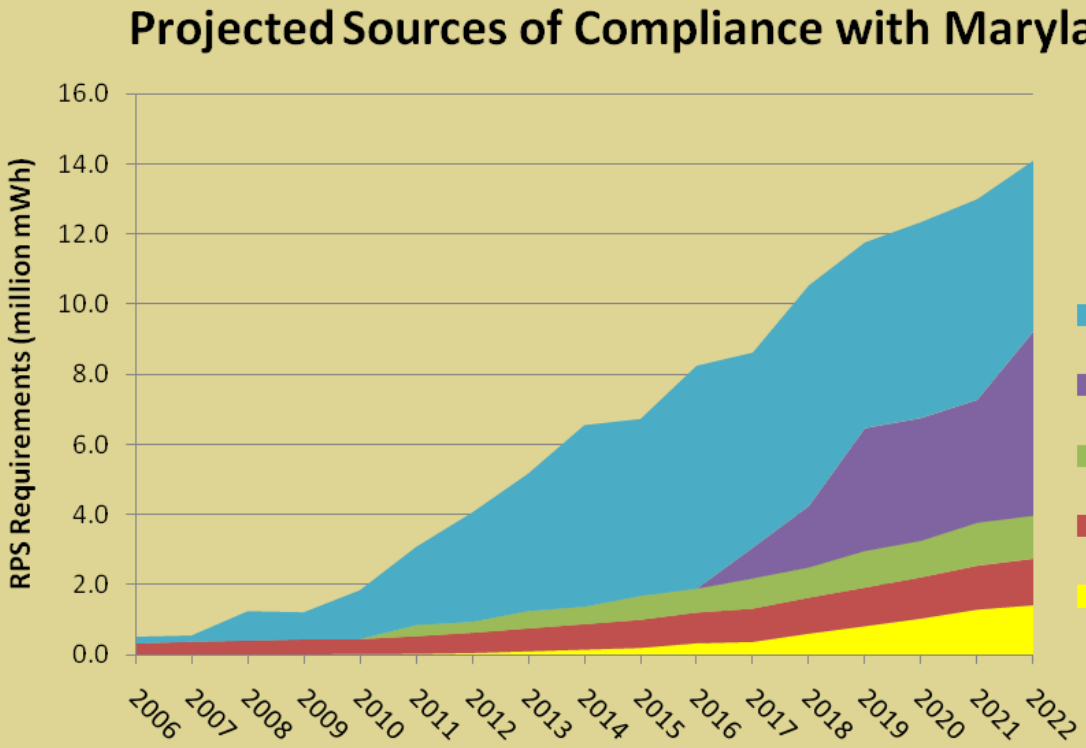
Progress to Use More Renewable Energy

Maryland currently generates 5.5% of its electricity from renewable sources.



Goal 10: Increase Maryland's Renewable Energy Portfolio to 20% by 2022

Progress to Increase Renewable Energy



	GENERATION (GWh)	
	Today	By 2022
Regional RECs	1,382	4,869
MD Offshore Wind	0	5,256
Md Onshore Wind	183	1,235
MD Biomass	382	1,325
MD Solar	19	1,409

Goal 10: Increase Maryland's Renewable Energy Portfolio to 20% by 2022

Progress to Increase Renewable Energy

More renewable energy systems: Almost 4,000 Maryland families and businesses have installed renewable energy systems.

- This generates or saves 26,000 MWH of renewable electricity annually – preventing over 13,000 tons of CO_2 entering the atmosphere.

Increased solar energy: Today we generate 150 times as much solar energy in Maryland as we did in 2006.

- We are partnering with local governments to nearly double this amount this year alone.
- Today, the solar industry in Maryland employs over 900 people – and it's expected to reach over 1,200 by the end of the year

Expanded wind power: Today, we are on track to have 120 MW of onshore wind – enough to power 37,000 homes – compared to only 0.04MW a year ago.

- Constellation Energy and Synergics have built nearly 50 wind turbines in western Maryland over the past year.

Goal 10: Increase Maryland's Renewable Energy Portfolio to 20% by 2022

Current Strategies

1. Provide residential grants to homeowners to install solar, wind and geothermal systems.
2. Provide mid-size grants to businesses and non-profits to install solar and wind systems.
3. Award grants to local governments through Project Sunburst to install solar energy systems.
4. Use the state's energy demand to sign long-term power purchase agreements for utility-scale solar and wind generation through Generating Clean Horizons.
5. Offer a production tax credit to incentivize large-scale renewable generation.

Goal 10: Increase Maryland's Renewable Energy Portfolio to 20% by 2022

Accelerating our Progress

1. **Fight for offshore wind legislation.**

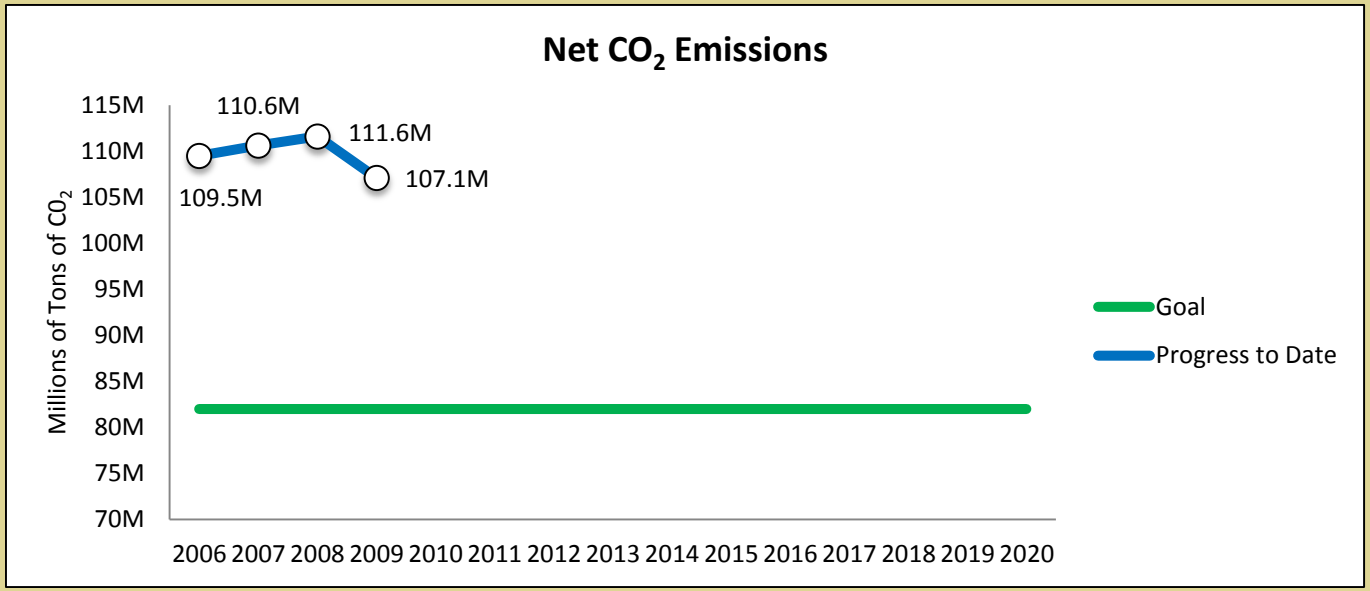
2. **Grow in-state solar capacity** so it represents at least 2% of our RPS by 2022.

3. **Utilize Maryland's existing biomass feedstock resources** (such as forestry waste, agricultural crops, municipal waste, and poultry manure) to increase Maryland's renewable energy output.

4. **Advocate** at the Public Service Commission, the Federal Energy Regulatory Commission, and Congress for policies and laws that support states' rights to incentivize new generation.

Goal 11: Reduce Maryland's Greenhouse Gas Emissions by 25% by 2020

Progress to Reduce Greenhouse Gas Emissions



As of 2009, the most recent year for which net CO2 emissions data are available, Maryland has reduced its greenhouse gas emissions by 3%, or 12% of its 2020 greenhouse gas emissions reduction goal.

Goal 11: Reduce Maryland's Greenhouse Gas Emissions by 25% by 2020

Current Strategies

1. Actively and aggressively participate in the **Regional Greenhouse Gas Initiative (RGGI),** which is a regional GHG Cap-and-Trade program.
2. Aggressively implement and manage the **Maryland Clean Cars Program**.
3. **Fully implement the EmPOWER Maryland Program to reduce electricity consumption 15% by 2015.**
4. **Achieve Maryland's Renewable Portfolio Standard of 20% by 2022.**
5. **Accelerate electric vehicle adoption** with tax credits for Marylanders who purchase electric vehicles and charging equipment, and by building 65 charging stations around the State.

MARYLAND FORWARD

In this changing new economy, we're in a fight for our children's future.

In this fight, there will be some states that lose and some that win.

For Maryland to win, we must move forward by creating and saving jobs through innovation, while improving public safety, public education, and our quality of life.

MARYLAND'S **INNOVATION** ECONOMY